as population, trade, facility of communications, etc.

Mr. K. RAMASESHA SASTRY.—Are the Government aware that hours of clearance of mails have not in many cases been fixed suitably to the convenience of the public?

Mr. M. VENKATANARANAPPA.—The member may take such cases to the notice of the postal authorities.

Mr. K. L. NANJAPPA NADIG.—Out of the 32 villages referred to in (*b*). How many belong to the Mysore District?

Mr. PRESIDENT.—We have not got those details here at the moment.

GOVERNMENT BUSINESS—*contd.*

II. General Principles of the Bill to amend the Village Panchayat Act —*concld.*

The PRESIDENT observed that though the amendment proposed in the bill related to a small matter, yet from the discussions that had so far taken place, the members seemed to have taken an alarming view of it. He therefore appealed to the House to recognize that the principle involved in the bill had been conceived in the best interests of the village panchayats themselves.

Mr. P. SITHARAMIAH replied that though it might seem to be a small matter, the principle underlying the proposed amendment was detrimental to the growth of village panchayats for the following reasons: The institution of village panchayats was intended to train people in the art of self-government. As the power of supersession vested in Government was meant to tide over deadlocks, it had to be used only very rarely. That such occasions should be rare was the common object of both the people as well as the Government. Such being the case, he thought that there ought not to be any occasion for the Government to extend the term of supersession at all.

Even as regards the possibility of deadlocks, he said that whenever the Government constituted a panchayat, they would have to watch its working for at least one year before coming to a decision as to whether its management was efficient or otherwise. If the management was efficient, there would be no question of supersession at all. And in case the management was so bad as to call for supersession, it would take about 6 months for the authorities to make the necessary reports and obtain orders of supersession passed against the panchayat. In the meanwhile, one half or more of the term of the panchayat would have been over. If an order of supersession were passed at this stage, it could remain in force only for a year or 1½ years. With this period, the term of the panchayat would be over and a new panchayat would have to be constituted thereafter. Thus, there would be no necessity at all for extending the term of supersession, and hence the power sought under the proposed amendment was, in his opinion, altogether unnecessary.

The SECOND MEMBER (Rajamantrapravina N. Madhava Rau) explained that this bill had nothing to do with the term of any particular panchayat.

Mr. SITHARAMIAH contended that the order of supersession could apply only to the panchayat as constituted at the time of making the order and not to the panchayat after it was reconstituted. Otherwise, the orders extending the period of supersession would have the effect of virtually abolishing the panchayat. He doubted whether the Government could abolish a panchayat once for all like that, with the powers they possessed under the Act as at present in force. Personally he felt that if a deadlock was created, the Government might pass an order of supersession and if matters were not likely to improve, they might as well order a fresh election. Then the voters would consider the circumstances and elect more suitable men.

Generally speaking, the interest evinced by the members of a panchayat was in direct proportion to that evinced by the local officers. If in some cases, the members fell short of expectations, it was up to the officers to make them improve. If such an attitude was adopted, he had no doubt that the necessity for the proposed amendment would never arise. After all, the most important item of work was the collection of

panchayat taxes, and in this respect the present arrangement was to make collections through the agency of the Revenue Department. Since this important function had been suitably arranged for, the provisions of the existing Village Panchayat Act were quite adequate to meet the necessities of any case, and the question of extending the period of supersession would not at all arise.

Even according to the Co-operative Societies Act, Government could supersede a particular Managing Committee for unsatisfactory work. But the power of electing a fresh committee was not taken away from the general body itself. And in the case of the panchayats also, Government would do well to continue to vest the power of electing a fresh panchayat in the people of the village. So long as it was recognised that local administration should be entrusted to the representatives of the people, the member felt that it would not be proper to needlessly interfere with the work of self-governing institutions by adding to the special powers of the Government. In this view, he opposed the bill.

Mr. G. RAJAGOPALACHAR said that if the bill had been conceived in the best interests of the public, as announced by the President, the Congress Party would not have opposed it. In the last Dasara Session of the Assembly, the Dewan-President was pleased to reiterate that the institution of village panchayats was intended to train people to manage their own local affairs. But now the Government were not satisfied with the power to supersede panchayats but wanted powers to extend the period of supersession from time to time. If they went on extending the period, even the little power which was already granted to the people would be withdrawn in future. And to this he objected on the ground that it was opposed to all democratic principles.

Mr. H. M. CHANNABASAPPA said that a case had not been made out by the Government for the bill under discussion. Simply because there was a similar provision in the Minor Municipalities Act, it was no reason why the Village Panchayat Act also should contain it. If a set of members constituting the panchayat at a particular time should create a deadlock, that was no justification for abolishing the panchayat itself. In his opinion the needs of the situation would be fully met by ordering supersession for a time. If even after that, the affairs of the panchayat did not improve, then the Government could use their reserve power of ordering a reconstitution. But seeing that the Government had also the power of nominating the Chairman, the chances of deadlocks being repeated were very remote.

Continuing, the speaker observed that the Government had not given statistics to prove that for want of the power now proposed, they could not improve the administration of the panchayats. The existing powers in his opinion were quite adequate. At a time when there was general awakening in the villages and a keen desire on the part of the people for a share in the village administration, frequent exercise of special powers by Government was sure to cause unnecessary annoyance to the people. Besides, once the Government was armed with a special power it would naturally have the temptation to use it. For these reasons, he opposed the bill.

Mr. B. MARULAPPA was sorry that the very Government which organized the village panchayats in all places in the State should go back on their liberal policy and seek to curtail the powers of the panchayats. The existing law gave the Government sufficient control over the panchayats and it was unnecessary for them to ask for any more powers over those bodies.

Mr. G. MALLANNA was surprised that there should have been so much of discussion about such a small measure as this. Members belonging to the Congress Party who were opposed to this measure, seemed to be labouring under some imaginary fears. When the Government had the power of superseding the panchayats, it was but right that they should also have the power of extending the period of supersession. It might become necessary to exercise the latter power in cases where the first order of supersession did not produce the desired effect. When large

powers were aspired for by the local bodies, they should also not object to adequate safeguards being provided. In this view he supported the bill.

The general principles were put to vote and declared lost. 65 voting for and 140 against.

III. General Principles of the Bill to amend the Cattle Trespass Act.

The SECRETARY to GOVERNMENT, LOCAL SELF-GOVERNMENT DEPARTMENT (Mr. P. H. Krishna Rao) explained the general principles of the bill as follows :—

Under Section 14 of the Cattle Trespass Act, 1871, asses impounded in the cattle pounds of the local bodies shall have to be disposed of by auction only after a detention of 14 days. It is found by experience that such a procedure results in loss especially to the municipal councils concerned, the realisations by the sale of impounded asses after the prescribed period of 14 days being considerably less than the feeding charges incurred by the local body concerned during the period.

In order to overcome this difficulty, it is proposed to reduce the period of detention of asses in cattle pounds, from 14 days to 3 days. The proposed bill is intended to give effect to this decision.

Mr. H. K. VEERANNA GOWDA said that the Congress Party was agreeable to the principles underlying the bill. But as many poor people in the malnad were keeping asses for carrying heavy loads and were thereby earning a living, he said that the sale of these animals within three days after detention would serve as a hardship on them. He therefore represented that the detention period be fixed at 7 days instead of only three.

Mr. K. BALE GOWDA opposed the bill on the ground that it would hit hard on one class of labourers, namely, the dhobies.

Messrs. JATHARE NAIK and T. SYED KHAJA PEERAN SAHIB supported the bill.

The SECOND MEMBER (Rajamantrapravina N. Madhava Rau) explained that the bill under discussion was not one that had been brought up on the initiative of Government, but that it had been introduced on the recommendation of certain municipal bodies who complained that they were being made to incur needlessly heavy expenditure on account of feeding the animals in question. The municipalities in the Bangalore and Mysore districts who were consulted in the matter had also advocated the proposed amendment. And because so many councils wanted it, the bill had to be introduced by the Government.

Continuing, **Mr. N. MADHAVA RAU** observed that there was some difference of opinion as to the exact period of detention after which the animals might be auctioned; and in deference to the wishes of the members, he said that the Government were agreeable to raise the period from 3 days to 7.

In this connection **Mr. K. T. BHASHYAM AIYANGAR** suggested that the auction should not be held before the lapse of a stipulated period of time after the issue of the sale notification. Personally he felt that that period should be seven days.

Mr. N. MADHAVA RAU thought that the animals could as well be treated as perishables and the sale held soon after notification.

Mr. K. T. BHASHYAM AIYANGAR then suggested that the notice might be issued on the very day of receiving the animal into the pound.

The suggestion was noted.

Subject to the above modifications the general principles of the bill were put to vote and passed.

IV. General Principles of the Power Alcohol Bill.

The SECRETARY to GOVERNMENT, DEVELOPMENT DEPARTMENT (Mr. M. Venkatanaranappa) explained the general principles of the bill as follows :—

The profitable disposal of molasses is a problem that is facing the sugar industry in India and the suggestion has been made that a way may be found for the disposal of a portion of the alcohol made from molasses by prescribing that the fuel used in motor

vehicles should contain a percentage of anhydrous alcohol blended with petrol. Such a mixture has been prescribed in a number of countries to encourage the use of local materials to some extent and to minimise dependence on imported supplies of motor fuel.

Investigations in India and abroad have shown that the mixture, provided the alcohol is not less than 99·5 per cent purity and its proportion is limited to about 25 per cent, is not less efficient in its fuel value than petrol and that its anti-knock properties constitute an advantage for the smooth running of vehicles No change is called for in the mechanism of the engine or any other part of the motor and the mixture can be used in the same manner as petrol.

The Mysore Sugar Company expect to have the plant for the manufacture of anhydrous alcohol before the end of the year and the object of this bill is to enable Government to prescribe in respect of areas notified for the purpose that anhydrous alcohol should be mixed with petrol before it is sold to the public, to prescribe the percentage of alcohol, its purity and price, to prescribe the rate of excise duty to be levied on alcohol and to provide for punishment for the contravention of the Act or rules to be made thereunder.

Necessary arrangements will be made with the petrol companies for the proper blending and sale of the mixture and to regulate the price at which the mixture is sold.

Draft Bill to provide for the Mixture of Alcohol with Petrol for use as Motor Fuel in Mysore State.

Preamble.—Whereas it is expedient to make provision for the development of the Power Alcohol industry in the State by requiring its compulsory admixture with petrol for use as motor fuel; it is hereby enacted as follows:—

1. (i) *Short Title and Extent.*—This Act may be called the Mysore Power Alcohol Act, 1938.

(ii) It extends to the whole of Mysore.

2. *Definitions.*—In this Act, unless there is anything repugnant in the subject or context—

(*a*) "Distillery" means any premises wherein or within the precincts of which alcohol is distilled from molasses;

(*b*) "Petrol" means dangerous petroleum as defined in the Mysore Petroleum Act, I of 1923.

(*c*) "Alcohol" means ethyl alcohol of not less than 99·5 per cent purity with the addition of suitable denaturant that may be prescribed under the rules.

3. (i) The Government may, by notification in the official Gazette, direct that in any local area no petrol shall, from such date as may be specified in such notification, be sold or kept for sale except with an admixture of anhydrous alcohol manufactured in the State.

(ii) The alcohol to be employed for such admixture shall be obtained from a distillery established by or with the sanction of Government and the price to be paid to the owner of the distillery for the alcohol shall be fixed by Government from time to time.

(iii) The proportions of petrol and alcohol in such mixture shall be as notified by Government in respect of each local area and may be enhanced or reduced from time to time but the proportion of alcohol in the mixture shall in no case be more than 25 per cent or less than five per cent by volume.

4. Government may levy an excise duty on alcohol intended for admixture with petrol sold by any distillery governed by this Act at rates to be fixed by a notification published in the official Gazette.

5. Whoever contravenes the provisions of Section 3 shall be punishable with fine which may extend to one thousand rupees and in the case of a continued contravention with a further fine which may extend to one hundred rupees for every day during which the contravention is continued after conviction therefor.

6. No prosecution under this Act shall be instituted except under the authority of a District Magistrate.

7. No offence made punishable by this Act or by any rule made thereunder shall be tried by a court inferior to that of a Magistrate of the First Class.

8. (i) The Government may make rules for the purpose of carrying into effect the provisions of this Act.

(ii) In particular and without prejudice to the generality of the foregoing power, such rules may—

(a) prescribe specifications and tests in respect of the purity of alcohol intended for admixture with petrol in order to ensure its suitability for use on motor vehicles ;

(b) provide for determining the price to be paid to the owner of a distillery for alcohol supplied for purposes of admixture with petrol ;

(c) provide for imposing and collecting a duty of excise on alcohol intended for admixture with petrol ;

(d) prescribe conditions in respect of the transport and storage of alcohol intended for admixture with petrol and for the manner in which the admixture is to be effected ;

(e) prescribe the submission by the manufacturers of alcohol and importers and distributors of petrol of returns regarding the quantities of anhydrous alcohol and petrol, manufactured, purchased, stored and sold.

(iii) Rules made under this Act may provide that any contravention of such rules shall render the offender liable on conviction before a magistrate to a fine not exceeding five hundred rupees.

9. Nothing contained in this Act shall apply to petrol required for aviation.

Mr. A. N. RAMA RAO pointed out that power alcohol was used by the Bangalore City Bus Service for some time and that it was found to emit foul smell and prove a positive nuisance not only to the bus passengers but to all passers-by. Secondly, he doubted whether the use of power alcohol as engine fuel would not affect public health in the localities where the motor vehicles using such fuel were allowed to ply.

The SECOND MEMBER (Rajamantrapravina N. Madhava Rau) replied that the bad odour complained of was due to the fact that formerly they were mixing anhydrous alcohol and petrol in the proportion of 60 : 40. Such odour would be eliminated as a result of the proportions now fixed. And even though the maximum proportion proposed in the bill, so far as anhydrous alcohol was concerned was 25 per cent, it was not likely that more than 10 or 15 per cent would be prescribed in the first instance.

Speaking next in reply to Mr. Bhupalam R. Chandrasekharayya. **Mr. MADHAVA RAU** said that the Mysore Sugar Company was capable of producing 4 lakhs of gallons of power alcohol annually as against 25 lakhs of gallons of petrol consumed in the State.

Mr. K. T. BHASHYAM AIYANGAR said that on behalf of his party he had to oppose the bill for the following reasons :—

The main object underlying the bill seemed to be that molasses, which was a by-product of the Sugar Factory at Mandya and which was now going to waste, might be put to some use and advantage by manufacturing power alcohol out of it and thereby making some additional profits for the Sugar Company. Though that was a laudable object, the idea of compelling people to use it as engine fuel did not appeal to popular sentiment. The authorities were at liberty to manufacture anhydrous alcohol and sell it, and if the consumers found it satisfactory from the point of view of both quality and price, they would naturally go in for it as an article of local manufacture, in preference to petrol imported from outside.

From short experience of the use of power alcohol in Bangalore, he said that people had found its smell as a veritable nuisance. Moreover, he was afraid that the carburettor adjustment might not be the same for different

kinds of fuel. When once the engine got used to the mixture, it might become difficult to work it with pure petrol in places where the mixture might not be available.

Mr. MADHAVA RAU assured the member that the mechanism needed no re-adjustment whether pure petrol was used or the mixture.

Mr. BHASHYAM AIYANGAR said that even then this was not a matter where any compulsion by means of legislation should be resorted to and that it was essentially a matter which should be left to the individual likes of the purchasers. If the law was passed on insufficient data and there was any trouble later on, the members might be put to the unpleasant necessity of agitating for its repeal.

The FIRST MEMBER (Rajamantrapravina S. P. Rajagopalachari) assured the member that if there was any trouble or inconvenience, the Government themselves would hasten to get over it.

But why, **Mr. BHASHYAM AIYANGAR** asked, should everybody in the State subject himself to unnecessary restrictions with a view to benefiting the shareholders of the Sugar Company.

Mr. MADHAVA RAU replied that even then, Government would be the largest beneficiary since they held 60 per cent of the shares.

Mr. BHASHYAM AIYANGAR pointed out that when the consumption of petrol in the State became less, the share of petrol tax revenue derived from the Government of India would also fall proportionately. Thus the profit made in one direction would but make up for loss in another direction.

On the whole, the member said, he and the other members of his party did not like the bill, particularly on account of the compulsion provided for in it.

The PRESIDENT explained that without compulsion it would be difficult to persuade petrol dealers to sell the mixture, and that it was not such a bad measure as the members seemed to imagine. And he added, if it were so bad, so many Governments would not have thought of undertaking a similar measure. He had no hesitation in assuring the House that the bill had been proposed in the best interests of a local industry.

Mr. BHASHYAM AIYANGAR said that if that was so, Government would do well to follow the example set by certain countries which manufactured articles for being exported to other countries more than for local consumption. The Government might earn profits and further the State's interests with the help thereof.

Mr. M. VENKATANARANAPPA pointed out that as matters stood, much of the people's money was going out of the State on account of purchase of petrol; whereas under the proposed bill, at least a portion of it would remain in the State.

Mr. BHASHYAM AIYANGAR said that even if the existing petrol-dealers did not co-operate, the Government themselves might open bunks. Then it would be easy for the Government to promote sales of power alcohol. And if the mixture was really good, people would themselves go in for it as in the case of all locally manufactured products like Badanval khadi, soap, silk, iron, etc., so that no compulsion need be resorted to at all. Besides, when compulsion had not been resorted to by Government in respect of the latter products, the speaker did not see any reason why it should be thought of in the case of this foul-smelling stuff.

Reference had been made in the statement of general principles of the bill under discussion to the desirability of minimising dependence on imported supplies. While appreciating this sentiment, the speaker wondered why the same argument did not apply with equal force to the use of khadi and whether it would not be better for the higher officers of Government to demonstrate their love for local products by wearing only Badanval khadi.

Mr. JATHARE NAIK supported the bill on the ground that it was intended to encourage the use of a local product and thereby increase the national wealth.

Mr. MAHOMED MUSTAPHA SAHEB endorsed some of the objections raised

by those who opposed the bill. But he thought that it would not be correct to say that if the Sugar Factory was benefited the people of the State would not be benefited. The factory had provided labour for a lot of workmen. Secondly, sugarcane cultivation in the Irwin Canal area was yielding a better return to the raiyats than any other crop. Thirdly, most of the dividends derived by the shareholders was being spent within the State itself. For these reasons, one could hope that if the Factory prospered more, the State had something to gain thereby. There were also other advantages accruing to the State from the success of the Sugar Company. Before the formation of the Mysore Sugar Company, a lot of money used to go out of the State on account of Java Sugar and that drain had been almost completely stopped now. For these reasons, the speaker thought that the bill deserved support.

As regards the apprehension that the proposed mixture would emit bad smell, he stated from experience that power alcohol mixed with petrol to a limited extent—not exceeding 25 per cent in proportion as proposed—would not emit any bad smell. He had also no doubt that the State would ultimately derive a larger revenue from this source than the income it was getting as its share of petrol tax revenue. Having said all this, the speaker expressed some misgivings as to whether the use of the proposed mixture would not result in engine troubles. If that doubt could be set at rest by actual demonstration, he hoped the House could pass the bill. Till then, personally he was not inclined to vote for the particular clause which made it obligatory on people to use only the mixture and not pure petrol as heretofore.

Mr. K. SHAMA IYER pointed out that a similar legislation had been proposed in certain British Indian Provinces like United Provinces, Central Provinces and Bihar and hence that the bill might be adopted without any hesitation in Mysore. As much as Rs. 22 lakhs a year was going out of the State at present for petrol. By mixing 25 per cent of power alcohol as proposed, the State could retain at least Rs. 5 lakhs to Rs. 6 lakhs a year and this was an additional argument in favour of the bill. For improving the economic condition of the State, it was necessary to reduce imports and increase exports. The speaker therefore supported the bill.

Mr. Y. V. MUNISWAMI IYER supported the measure as being in the interests of the raiyat. The prosperity of the raiyat in the Irwin Canal area was dependent to a large extent on the prosperity of the Sugar Company. The suppliers would get better prices for their cane supplies if the Company made better profits. If the business of the Company should improve, it was necessary that every form of wastage should be avoided and its by-product, *viz.*, molasses put to the best possible use. For this reason, and more especially because the measure related to the further development of a State industry, he said he willingly supported the bill. At the same time, he requested the Government to delete the clause empowering the Government to compel people to use the new mixture only.

Mr. KHAJI SYED YUSUFF SAHIB, in supporting the bill, said that the prosperity of industries in western countries was due to the fact that every by-product was being put to the best use possible so as to increase the profits of the concerns. Unless such a method was adopted by the Mysore Sugar Company also, it could not face the competition in the open market. If the Company earned good profits and the shareholders got rich dividends, the raiyats also would agitate and secure better prices for their sugar-cane. So, all those interested in cane-growers should help the Sugar Company to make larger profits in future. As regards the use of power alcohol, he observed that it had been admitted by users of motor vehicles that the anti-knock properties of power alcohol constituted an advantage for the smooth running of vehicles, so that he did not see any point in the opposition to its use. When once the protective duties of which Mysore Sugar was enjoying the benefit

at present was removed, it might not be possible for the Sugar Company to earn the same profits as at present and hence it was incumbent on every one interested in the promotion of this industry to help the Company to make large profits in other ways.

Mr. Rayara KEMPANNA did not consider it necessary to retain in the bill the provision relating to compulsion, for the reason that if the mixture was found to be more advantageous than pure petrol, people would go in for it of their own accord.

Mr. A. BHEEMAPPA NAIK observed that no one would object to the manufacture of power alcohol out of molasses as a means of increasing the profits of the Company. All that the members wanted was that the use of the mixture should be left to the consumers' option. He suggested that the question of making it compulsory might be deferred for one year within which time all the officers of Government might be required to use the mixture and prove to the public that there was nothing to complain of and everything to gain from using it. He also hoped that if the mixture had all the merits attributed to it by the Government, it would not be difficult to push through its sale by means of the usual business methods and without resorting to compulsion.

Continuing, the member feared, notwithstanding the assurances of Government to the contrary, that a change from pure petrol to the mixture and *vice versa* was bound to affect the mechanism of the engine. He had also his own doubts about the actual mileage which the mixture would give and whether it would be cheaper for car owners to go in for it in preference to pure petrol. He also doubted whether at all the Government could provide bunks to supply the mixture throughout the country and not only in the State. In view of this practical difficulty, he thought it would be wiser for the Government to make all such arrangements and then think of enforcing the legislation. Till then he was particular that the use of the mixture should not be made compulsory. Accordingly, he requested the Government to withdraw the bill for the present and move it on a future occasion after satisfying themselves by practical experiments and actual experience that it was worth while using the mixture from all points of view.

Mr. SYED MOHIYUDDIN HUSSAIN said that this bill was sure to benefit owners of motor vehicles since the running charges would be reduced if the mixture was used in place of pure petrol. He was sure that if the carburettor was kept in good condition by daily cleaning, the use of the mixture was not likely to give any trouble. And as was explained by other speakers, the measure would mean additional benefit to the Sugar Company, cane-growers, car-owners and the Government. Considering all these points, he supported the bill.

Mr. S. C. MALLIAH expressed his surprise at the statement of the oppositionists that the raiyats had nothing to benefit by this bill. A comparison of the economic condition of the raiyats in the canal area before and after the advent of the Sugar Factory would disprove that statement. As there was every likelihood of the Sugar Company incurring a loss in future on account of the fall in prices of sugar as a result of competition from outside, it was necessary for the Government to compensate for this loss in some way, and this could best be done by passing the bill in question. Secondly, the raiyats in that area were occupying a particular position under the block system of irrigation and unless their economic condition was safeguarded, the very large investment on the Krishnarajasagara irrigation scheme would not fetch a proper return. In this view also, it was necessary to support the bill.

He next referred to the suggestion of a previous speaker that all the power alcohol manufactured at the Sugar Works be exported to other countries and said that no country would do that without satisfying itself about the merits of the product and without adequately providing for local consumption. He appealed to the members to view this local product with the same love as they bore

to Badanval Khadi, for example, even if this involved some sacrifice.

Mr. A. J. KHALEEL was surprised that members of the Congress Party who were expected to be supporters of swadesh goods should have objected to this bill. Seeing that the world was on the verge of a great war and the price of petrol was likely to mount up in the near future, he said it would be prudent to be prepared with a substitute for petrol well in time. Congress members had said that they opposed the bill because of the element of compulsion in it. But taking the country as it was, people would not take to anything new unless by compulsion. For some time this would be inevitable in many a case. Bearing this in mind, he hoped that members of the Congress Party would reconsider the question and support the bill as it would help a local industry.

Mr. S. RANGARAMIAH who also endorsed the views of his Congress friends said that he would have no objection to the bill if the use of the mixed oil was not made compulsory. Several articles were being manufactured in the State and people were not compelled to purchase any one of them, and there was no justification for introducing an element of compulsion in regard to the purchase of engine-fuel only. He supported the suggestion of his friends who wanted officers of the Government to try the new oil for a fairly long period and satisfy themselves about its merits and then think of asking others to go in for it.

Some members had suggested that the Sugar Company had done much good to the raiyats, that if its profits improved, the raiyats would be so much the better for it, and that therefore this bill, which would add to the profits of the Company, should be supported by the House. In reply to this suggestion, he would only ask the House to consider this point, *viz.*, how far the raiyats had been benefited as a result of the rich dividends derived by the Company's shareholders, while the best of cash investments were not yielding more than 3 to 4 per cent at present.

In the next place, he characterised the penal clauses in the bill as very drastic and also unworkable. He asked how it was proposed to prevent a car-owner from Madras, for instance, from bringing in his car into the limits of the State a few gallons of petrol. If spare petrol was not brought, and pure petrol was used from Madras up to Bangalore or Mysore, who was to assure the car-owner that the use of the power alcohol mixture for the rest of the journey would not mean any engine trouble? And, how about the price? Could any one willingly submit to compulsion with this important question still left in doubt? All things considered, he suggested that the best thing for Government to do would be to purify the stuff and place it on the market, induce the various public service vehicles to take to it kindly, and to compel, if at all, only the departmental cars and buses and lorries to use the mixture and demonstrate its merits to the public. If after all this was done, compulsion was still found inevitable, he proposed that the same be restored to in stages and for specified purposes.

Mr. ALFRED MIDDLETON assured the House from personal experience that petrol mixed with anhydrous alcohol was quite as good as pure petrol. In England it was usual to find 5 or 6 pumps supplying different kinds of oils at frequent distances and people were free to go in for whichever oil they liked. He had himself driven in an old car of his in England and Scotland, extensively using petrol blended with anhydrous alcohol. He had found the car running quite smooth without any knocking of the car engine. A change from the mixture to pure petrol had also been tried by him without any damage whatever to the engine mechanism. He, however, thought the proportion of 25 per cent of alcohol fixed in the bill was too high and suggested that it might be reduced to some extent. In fact, he preferred that even the maximum proportion permissible should not go up to 25 per cent. If the mixture was properly blended, there would be no foul smell at all. On the question of compulsion, he agreed with

many others in thinking that there need be no compulsion. If the mixture gave a slightly better mileage and was sold slightly cheaper, naturally the sales would be heavy. And if any one preferred to go in for pure petrol despite higher price, there ought to be no objection to his doing so.

Mr. Bhupalam R. CHANDRASEKHARAYYA mentioned that there was a common impression that the mixture would emit a disagreeable odour and be detrimental to public health. He therefore wanted that Government should first decide how best to remedy these defects. For this purpose, he suggested that Government should assure themselves that the Company would manufacture alcohol of 99·5 per cent purity. He next proposed that the income derived from this source should be ear-marked for introducing prohibition or some such popular reform.

With reference to the remark of some members that members of the Congress Party should not have opposed this bill, he stated that the Congress Party appreciated the object underlying this bill and would extend whole-hearted support to it if only the members were assured that the benefit of the bill would ultimately accrue to cane-grower. If such an assurance was forthcoming and if full control over the petrol trade of the State vested in the Government, he would support the bill.

Mr. L. VEMA REDDY pleaded for support to the bill including the clause relating to compulsion. When a law was to be made applicable to the entire State, some amount of compulsion would be necessary. In this view, he said that the scheme might be given a fair trial and any defects in it got rectified as experience was gained.

Mr. MIRZA AZIZULLA BEIG explained that the Government held 60 per cent of the shares of the Sugar Company and this represented the extent of the people's interest in the Company. With this interest as their own, it was up to the people to do everything to promote the welfare of the Company by helping it to develop on commercial lines. And unless there was compulsion, it might not be possible to find a sale for all the alcohol produced out of the molasses. He did not know why certain members were doubting whether the State stood to benefit by profits accruing to the Company. There was no doubt that trade would develop, more houses would crop up in the area and the entire tract would improve in many ways. All this certainly was advantage accruing to the State and all its subjects. Again, Sugar Companies elsewhere were thinking of manufacturing by-products and reducing the price of sugar. Unless the same was done in Mysore also, the sugar manufactured here could not stand competition. For these reasons he appealed for full support to the bill.

Mr. Shampur PAPANNA said that most of the car-owners who happened to be in the House had supported the bill. Moreover, the framers of the bill were themselves car-owners and they would not have proposed it if the use of the mixture was likely to damage their cars. Even on merits, he thought that the State would profit by the proposed law. In these circumstances, he agreed that the bill might be passed into law and tried for a period of six months. If for any reason it did not yield the results expected of it, it could be repealed at the end of that period.

Messrs. Nawab SHER KHAN and **DEVAIYA** said that the bill was intended to help a national industry and compulsion should be tolerated for some time.

Mr. S. MUNIVENKATAPPA said that the very fact that the Sugar Company wanted the Government to compel the prospective consumers to go in only for the mixture showed that it was not confident about the merits of its by-product. He thought that Government should first employ experts for the manufacture of the best possible mixture and give satisfaction to the consumers in every way, without resorting to compulsion.

Mr. D. VENKATARAMANAPPA said that the object of Government in bringing this bill was to stabilise the sugar industry in the State, make it a national asset and with its help, improve the economic condition of the people. With war clouds overhanging the western

horizon, there was every likelihood of the price of petrol going up, and car and bus owners would have to pay very heavily. To prevent so much of additional money going out of the country, it was necessary to manufacture and use the mixture under reference. He therefore supported the bill.

Mr. N. MADHAVA RAU, speaking on behalf of Government, said that he was glad to note that all were agreed that subsidiary industries should be developed to the fullest possible extent in the interest of the main industries themselves. The Secretary to Government, Development Department, had already explained the need to encourage the use of local (swadeshi) products and to minimise dependence on imported goods and the Government had not therefore expected that there would be any opposition to the measure. The objections taken in this House were of a varied nature—disagreeable odour, unhealthiness caused by the smoke emitted, etc. No such objections were raised elsewhere in India wherein similar measures were discussed. The discussion there had centred round only one vital question, *viz.*, whether there was economic justification for the measure or not. Questions like bad smell, unhealthy smoke, etc., had never cropped up. He did not know why such an impression prevailed here. Personally, he could say this: he had himself travelled long distances very often in cars driven by petrol and also by petrol mixed with anhydrous alcohol to the extent of 40 per cent to 60 per cent and he had not experienced any detestable smell or unhealthy smoke.

An apprehension had been expressed that by enforcing the proposed law, the Government would lose part of the revenue from the petrol tax. On this point, he explained that if the proportion of alcohol was 10 per cent, 2 or 2½ lakhs of gallons of power alcohol would be the maximum that could be manufactured and used. And on all this quantity the Government would get duty. This would make up for the loss under the State share of petrol tax revenue. Perhaps there would be some extra revenue.

Referring next to the effect of the mixture on the mechanism of the engine, he assured the House that experiments had been conducted under very unfavourable conditions with anhydrous alcohol of only 96 per cent purity mixed in the proportion of 60 per cent and 40 per cent and that the results were thoroughly satisfactory.

Continuing, **Mr. MADHAVA RAU** explained that this was not altogether a new enterprise. There was the benefit of the experience of several foreign countries where this mixture was in use. They had all found by actual experience that the mechanism of the engine would not suffer in the least. That was why governments in all the British Indian provinces wherein Sugar Factories were working had taken up similar legislation. Speaking of Mysore in particular, he added, the question of using the mixture had been under consideration ever since the establishment of the Sugar Factory. Canal Irrigation, Sugar Factory, Distillery, manufacture of anhydrous alcohol —these were in fact the different stages of the Irwin Canal scheme.

Mr. SUBRAMANYA SWAMI enquired why this question was not mooted when the question of manufacture of alcohol was taken up as a by-industry of the Bhadravati Iron Works.

Mr. MADHAVA RAU replied that what was being produced by the Iron Works was Methyl Alcohol, whereas the product now in question was Ethyl Alcohol. Experiments had been carried on with the former and it was found unsuitable for motor fuel purposes on account of its acid properties.

Proceeding, **Mr. MADHAVA RAU** referred to the argument that power alcohol would, like Mysore Soaps, etc., have a good demand if its quality was really good, that its sale could be improved by advertisement and other methods usually associated with business, and if necessary by fixing the price at a slightly lower level than that of pure petrol, and that there was no need to resort to compulsion. He stated in reply to that argument, that power alcohol could not be placed on the same footing as soap as there was a vast difference between the two. As regards

soap, there were any number of merchants selling it, whereas distribution of petrol in India was in the hands of a very few persons and unless full co-operation from them was assured, the Government had to take power to enforce the scheme under consideration.

But the point, after all to be considered was the persons whom this compulsion would affect. In any case, it would not affect the raiyats because they did not own motor cars. And even as regards car-owners, no compulsion would be brought to bear on them personally. They would be perfectly at liberty to go in future also to the same bunk as before. Only they would be going in for the mixture instead of for pure petrol. Even at present, the users had no manner of choice with regard to the stuff supplied. They had to buy whatever was supplied to them. They could not question or find out what the composition of the fuel was. The dealer would never disclose the information even if he had knowledge of it. Compulsion would apply only to those who sold the motor-fuel. In the absence of compulsion, it would not be possible to push through the sale of power alcohol. Compulsion was all the more necessary on account of the fact that Government could not organize blending stations or bunks of their own. The existing channels of trade had to be utilised and it was only for that purpose that an element of compulsion had been introduced.

Summing up, he stated that when once the Government took up an industrial venture, they had to take adequate steps to ensure its success. Secondly, from the swadeshi point of view, he asked why the State should depend upon foreign supplies when an article could well be manufactured locally. He hoped that keeping these points in view, the entire House would agree to this bill.

The general principles of the bill were thereupon put and declared lost, 77 voting for and 133 against.

At 3-15 p.m. the Assembly rose for lunch and met again at 3-45 p.m.

Mr. K. T. BHASHYAM AIYANGAR suggested that as the next bill on the Agenda to be taken up for discussion, *viz.*, the Agricultural Markets Establishment Bill, was a somewhat important one and as the House would like to discuss it at some length, the discussion on it as well as on the other remaining bills might be postponed to the next day and that Representations be taken up as stated in the Agenda.

The PRESIDENT agreed to this suggestion and Representations were taken up.

REPRESENTATIONS.

No 1.—Introduction of the Debt Conciliation Act in the entire area of the Kadur District.

Mr. MEER MAHOMED SAB (Minorities).

Mr. MEER MAHOMED SAB said that in the past the coffee planters in the State were in a flourishing condition. But owing to depression in coffee trade and the low yield of coffee for some time past, they were passing through hard days. In addition to this, owing to heavy indebtedness and their inability to repay, they had been losing their ancestral estates. Thus, in the Kadur District alone, nearly 90 per cent of the plantations had changed hands and were now in the possession of outside money-lenders, so that the heirs of the former owners had no property to look up to as their own. If the same state of affairs was allowed to continue for some time longer, it was certain that even the remaining plantations would come to be owned by outside sowcars and the local planters would be utterly ruined. He prayed that with a view to save them from such a position, the Government should extend to the entire Kadur District the Debt Conciliation Act which had been introduced in only some of the malnad taluks at present.

Messrs. B. P. BASAPPA SETTY and **T. V. NARASINGAPPA** invited the attention of the Government to the promise held out by them on the last occasion that the scheme would be extended to the entire district and requested that this be done very early as the position of the planters at present was very precarious.